

## UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

## **FORM SE**

## FORM FOR SUBMISSION OF PAPER FORMAT EXHIBITS BY ELECTRONIC FILERS

Hauser, Inc. Exact Name of Registrant as Specified in Charter

0000773723 Registrant CIK Number

Form 8-K Fol 6/29/04
Electronic Report, Schedule or Registration Statement of Which the Documents Are a Part (give period of report)

SEC File Number, if available

## **SIGNATURES**

The Registrant has duly caused this form to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of El Segundo, State of California on the <u>21</u> day of <u>Tone</u> 2004.

HAUSER, INC.

Name: Kenneth C. Cleveland

Title: President and Chief Executive Officer

## IN ACCORDANCE WITH RULE 202 OF REGULATION S-T, THIS MONTHLY OPERATING REPORT FOR THE MONTH ENDED MAY 31, 2004 IS BEING FILED IN PAPER FORMAT PURSUANT TO A CONTINUING HARDSHIP EXEMPTION

## MONTHLY OPERATING REPORT FOR THE MONTH ENDED MAY 31, 2004

**OF** 

HAUSER, INC. AND ITS WHOLLY OWNED SUBSIDIARIES BOTANICALS INTERNATIONAL EXTRACTS, INC., HAUSER TECHNICAL SERVICES, INC. AND ZETAPHARM, INC.

		THE STATE STATES
In re: Hauser, Inc.		Debtor in Possession Interim Statement
A Delaware Corporation		Statement Number: 14
		For the period-
N .	Debtor	201/FROM 15 D 5/1/2004
Chapter 11 Case No:	LA 03-18795-BB	TO: 5/31/2004

CASH ACTIVITY ANALYSIS (Cash Basis Only)  A. Total Receipts per all Prior Interims Statements  B. Less: Total Disbursements per all Prior Interims Statements  C. Beginning Balance (A less B)  D. Receipts during Current Period (Describe each receipt; Attach Separate Listing if Necessary)  549. Refund from ADP/ State of Colorado (payroll taxes withheld twice)  73  749. Refund from UPS  7519. Refund from VPS & ACT; El Segundo deposit return  7525. Refund from Quest International  7525. Refund from Quest International  753  7519. Refund from Quest International  7525. Refund from Quest International  7526. Refund from Quest International  7530. Interest Earned Trust Account  From Detail Sheet "D"  TOTAL RECEIPTS THIS PERIOD (D):  754. Advance to HTS  755. Refund from Quest International  756. Refund from Quest International  757. Refund from VSP & ACT; El Segundo deposit return  757. Refund from VSP & ACT; El Segundo deposit return  757. Refund from VSP & ACT; El Segundo deposit return  757. Refund from VSP & ACT; El Segundo deposit return  757. Refund from VSP & ACT; El Segundo deposit return  757. Refund from VSP & ACT; El Segundo deposit return  757. Refund from VSP & ACT; El Segundo deposit return  757. Refund from VSP & ACT; El Segundo deposit return  757. Refund from VSP & ACT; El Segundo deposit return  757. Refund from VSP & ACT; El Segundo deposit return  757. Refund from VSP & ACT; El Segundo deposit return  757. Refund from VSP & ACT; El Segundo deposit return  757. Refund from VSP & ACT; El Segundo deposit return  757.						
B. Less: Total Disbursements per all Prior Statements C. Beginning Balance (A less B) D. Receipts during Current Period (Describe each receipt; Attach Separate Listing if Necessary) 5/4. Refund from ADP State of Colorado (payroll taxes withheld twice) 2,768 5/7. Refund from UPS 7/3 5/14. Collection from VAR collection agency 22.7 5/15. Refund from VSP & ACT; El Segundo deposit return 4,705 5/25. Refund from Quest International 7,378 5/30. Interest Earned Trust Account 129  From Detail Sheet "D" TOTAL RECEIPTS THIS PERIOD (D): 9,279 E. Balance Available (C plus D) F. Less: Disbursements during Current Period (Describe "date", "Check#", "Payee/Purpose", Attach separate listing if needed) 5/4; Advance to HTS  From Detail Sheet "F" TOTAL DISBURSEMENTS HIS PERIOD (F): 258,769	CASH ACTIVITY ANALYSIS (Cast	n Basis Only)		General Account	Payroll Account	Tax Account
C. Beginning Balance (A less B)  D. Receipts during Current Period (Describe each receipt; Attach Separate Listing if Necessary)  5/4. Refund from ADP (State of Colorado (payroll taxes withheld twice)  5/7. Refund from UPS  5/14: Collection from AR collection agency  5/19: Refund from VSP & ACT; El Segundo deposit return  5/19: Refund from Quest International  5/25: Refund from Quest International  5/30: Interest Earned Trust Account  From Detail Sheet "D"  TOTAL RECEIPTS THIS PERIOD (D):  E. Balance Available (C plus D)  F. Less: Disbursements during Current Period (Describe "date", "Check#", "Payee/Purpose", Attach separate listing if needed)  5/4: Advance to HTS  From Detail Sheet "F"  TOTAL DISBURSEMENTS HIS PERIOD (F):  258,769	A. Total Receipts per all Prior Inter	im Statements		33,064,098	-	-
D. Receipts during Current Period (Describe each receipt; Attach Separate Listing if Necessary)  5/4; Refund from ADP/ State of Colorado (payroll taxes withheld twice)  5/7: Refund from UP8  5/7: Refund from VSP & ACT; El segundo deposit return  5/19: Refund from VSP & ACT; El segundo deposit return  5/19: Refund from Quest International  5/20: Interest Earned Trust Account  129  From Detail Sheet "D"  TOTAL RECEIPTS THIS PERIOD (D):  8. Balance Available (C plus D)  F. Less: Disbursements during Current Period (Describe "date", "Check#", "Payee/Purpose", Attach separate listing if needed)  5/4: Advance to HTS  From Detail Sheet "F"  68,769  - TOTAL DISBURSEMENTS HIS PERIOD (F):  258,769	B. Less: Total Disbursements per a	all Prior Statements		32,393,454	-	•
5/4: Refund from ADP/ State of Colorado (payroll taxes withheld twice) 5/7: Refund from UPS 5/14: Collection from A/R collection agency 5/14: Collection from A/R collection agency 5/15: Refund from VSP & ACT; El segundo deposit return 4, 705 5/25: Refund from Quest International 1, 378 5/30: Interest Earned Trust Account 129  From Detail Sheet "D" TOTAL RECEIPTS THIS PERIOD (D):  E. Balance Available (C plus D) F. Less: Disbursements during Current Period (Describe "date", "Check#", "Payee/Purpose", Attach separate listing if needed) 5/4: Advance to HTS  From Detail Sheet "F" TOTAL DISBURSEMENTS HIS PERIOD (F): 258, 769 7-70TAL DISBURSEMENTS HIS PERIOD (F): 268, 769	C. Beginning Balance (A less B)			670,644		
5/7: Refund from UPS 5/14: Collection from A/R collection agency 5/19: Refund from VSP & ACT; El Segundo deposit return 5/19: Refund from VSP & ACT; El Segundo deposit return 4, 705 5/25: Refund from Quest International 1, 378 5/30: Interest Earned Trust Account 129  From Detail Sheet "D" TOTAL RECEIPTS THIS PERIOD (D):  E. Balance Available (C plus D) F. Less: Disbursements during Current Period (Describe "date", "Check#", "Payee/Purpose"; Attach separate listing If needed) 5/4: Advance to HTS 170,000  From Detail Sheet "F" 68,769	D. Receipts during Current Period	(Describe each rece	eipt; Attach Separa	ate Listing if Necess	ary)	
5/19: Refund from AIR collection agency 5/19: Refund from VSP & ACT; El Segundo deposit return 5/19: Refund from Quest International 5/25: Refund from Quest International 5/30: Interest Earned Trust Account 129  From Detail Sheet "D" TOTAL RECEIPTS THIS PERIOD (D):  E. Balance Available (C plus D) F. Less: Disbursements during Current Period (Describe "date", "Check#", "Payee/Purpose": Attach separate listing if needed) 5/4: Advance to HTS  From Detail Sheet "F" TOTAL DISBURSEMENTS HIS PERIOD (F):  888,769	5/4: Refund from ADP/ State of Colorado (pa	ayroll taxes withheld twice	<del></del>	2,768		
5/19: Refund from VSP & ACT; El Segundo deposit return  5/25: Refund from Quest International  5/30: Interest Earned Trust Account  129  From Detail Sheet "D"  TOTAL RECEIPTS THIS PERIOD (D):  E. Balance Available (C plus D)  F. Less: Disbursements during Current Period (Describe "date", "Check#", "Payee/Purpose"; Attach separate listing if needed)  5/4: Advance to HTS  From Detail Sheet "F"  588,769  TOTAL DISBURSEMENTS HIS PERIOD (F):  258,769	5/7: Refund from UPS			73		
5/25: Refund from Quest International 5/30: Interest Earned Trust Account 129  From Detail Sheet "D" TOTAL RECEIPTS THIS PERIOD (D):  E. Balance Available (C plus D) F. Less: Disbursements during Current Period (Describe "date", "Check#", "Payee/Purpose": Attach separate listing If needed) 5/4: Advance to HTS  From Detail Sheet "F" TOTAL DISBURSEMENTS HIS PERIOD (F):	5/14: Collection from A/R collection agency			227		
From Detail Sheet "D"  TOTAL RECEIPTS THIS PERIOD (D):  E. Balance Available (C plus D)  F. Less: Disbursements during Current Period (Describe "date", "Check#", "Payee/Purpose"; Attach separate listing if needed)  5/4: Advance to HTS  From Detail Sheet "F"  TOTAL DISBURSEMENTS HIS PERIOD (F):	5/19: Refund from VSP & ACT; El Segundo	deposit return		4,705		
From Detail Sheet "D"  TOTAL RECEIPTS THIS PERIOD (D):  E. Balance Available (C plus D)  F. Less: Disbursements during Current Period (Describe "date", "Check#", "Payee/Purpose"; Attach separate listing If needed)  5/4: Advance to HTS  From Detail Sheet "F"  TOTAL DISBURSEMENTS HIS PERIOD (F):  258,769	5/25: Refund from Quest International			1,378		
TOTAL RECEIPTS THIS PERIOD (D):  E. Balance Available (C plus D)  F. Less: Disbursements during Current Period (Describe "date", "Check#", "Payee/Purpose"; Attach separate listing If needed)  5/4: Advance to HTS  170,000  From Detail Sheet "F"  TOTAL DISBURSEMENTS HIS PERIOD (F):  258,769	5/30: Interest Earned Trust Account			129		
TOTAL RECEIPTS THIS PERIOD (D):  E. Balance Available (C plus D)  F. Less: Disbursements during Current Period (Describe "date", "Check#", "Payee/Purpose"; Attach separate listing If needed)  5/4: Advance to HTS  170,000  From Detail Sheet "F"  TOTAL DISBURSEMENTS HIS PERIOD (F):  258,769						
TOTAL RECEIPTS THIS PERIOD (D):  E. Balance Available (C plus D)  F. Less: Disbursements during Current Period (Describe "date", "Check#", "Payee/Purpose"; Attach separate listing If needed)  5/4: Advance to HTS  170,000  From Detail Sheet "F"  TOTAL DISBURSEMENTS HIS PERIOD (F):  258,769						
TOTAL RECEIPTS THIS PERIOD (D):  E. Balance Available (C plus D)  F. Less: Disbursements during Current Period (Describe "date", "Check#", "Payee/Purpose"; Attach separate listing If needed)  5/4: Advance to HTS  170,000  From Detail Sheet "F"  TOTAL DISBURSEMENTS HIS PERIOD (F):  258,769						
TOTAL RECEIPTS THIS PERIOD (D):  E. Balance Available (C plus D)  F. Less: Disbursements during Current Period (Describe "date", "Check#", "Payee/Purpose"; Attach separate listing If needed)  5/4: Advance to HTS  170,000  From Detail Sheet "F"  TOTAL DISBURSEMENTS HIS PERIOD (F):  258,769						
TOTAL RECEIPTS THIS PERIOD (D):  E. Balance Available (C plus D)  F. Less: Disbursements during Current Period (Describe "date", "Check#", "Payee/Purpose"; Attach separate listing If needed)  5/4: Advance to HTS  170,000  From Detail Sheet "F"  TOTAL DISBURSEMENTS HIS PERIOD (F):  258,769						
TOTAL RECEIPTS THIS PERIOD (D):  E. Balance Available (C plus D)  F. Less: Disbursements during Current Period (Describe "date", "Check#", "Payee/Purpose"; Attach separate listing If needed)  5/4: Advance to HTS  170,000  From Detail Sheet "F"  TOTAL DISBURSEMENTS HIS PERIOD (F):  258,769						
TOTAL RECEIPTS THIS PERIOD (D):  E. Balance Available (C plus D)  F. Less: Disbursements during Current Period (Describe "date", "Check#", "Payee/Purpose"; Attach separate listing If needed)  5/4: Advance to HTS  170,000  From Detail Sheet "F"  TOTAL DISBURSEMENTS HIS PERIOD (F):  258,769						
E. Balance Available (C plus D)  F. Less: Disbursements during Current Period (Describe "date", "Check#", "Payee/Purpose"; Attach separate listing If needed)  5/4: Advance to HTS  170,000  From Detail Sheet "F"  TOTAL DISBURSEMENTS HIS PERIOD (F):  258,769	From Detail Sheet "D"			Personal Property of the Control of	EC NOT 14 14 14 15 15 15 15 15 15 15 15 15 15 15 15 15	1,611 (711)
F. Less: Disbursements during Current Period (Describe "date", "Check#", "Payee/Purpose"; Attach separate listing If needed)  5/4: Advance to HTS  170,000  From Detail Sheet "F"  TOTAL DISBURSEMENTS HIS PERIOD (F):  258,769	TOTAL RECEIPTS THIS PERIOD (	D):		9,279		
5/4: Advance to HTS				Control of the Control of the Control of the Party of the		Visit Visit Hills
From Detail Sheet "F" TOTAL DISBURSEMENTS HIS PERIOD (F):  258,769	F. Less: Disbursements during Cur	rent Period (Describ	oe "date", "Check#	f", "Payee/Purpose";	Attach separate listi	ing If needed)
TOTAL DISBURSEMENTS HIS PERIOD (F): 258,769	5/4: Advance to HTS			170,000		
TOTAL DISBURSEMENTS HIS PERIOD (F): 258,769						
TOTAL DISBURSEMENTS HIS PERIOD (F): 258,769						
TOTAL DISBURSEMENTS HIS PERIOD (F): 258,769						
TOTAL DISBURSEMENTS HIS PERIOD (F): 258,769						
				88,769		
G. Ending Balance (E less F)		RIOD (F):				
	G. Ending Balance (E less F)		· · · · · · · · · · · · · · · · · · ·	421,155		es e - <b>4</b> - 1 - 1 - 1

H. Depositories	Depository Name	Account Number						
(1) General Account	Wells Fargo Bank	4945 063790						
(3) Trust Account	Wells Fargo Bank	Wells Fargo Bank - Los Angeles, CA						
(4) Tax Account	n	one						

<ol> <li>Other monies on hand (Spec</li> </ol>	fv tvpe and location) (i.e.	<ul> <li>Certificates of Deposit</li> </ul>	. Petty Cash):
--	-----------------------------	---	----------------

Type

Location

Petty Cash

San Marino, CA

not to exceed \$200

Petty Cash

Denver, CO

not to exceed \$250

I, (Print Name:) Thomas W. Hanlon,	Chief Financial Officer	,declare under penalty of perjury that the information
contained in the above Debtor in Posse	ssion Interim Statement is true an	d complete to the best of my knowledge.

Dated: June 4, 2004

Debtor In ₱ossession or Trustee Signature

Chief Financial Officer

In re: Hauser, Inc.	
A Delaware Corporation	
	Debtor
Chapter 11 Case No:	LA 03-18795-BB

Debtor In	Possession Inter	rim Statement
Statement Number	7;	14
For the period-		
	FROM:	5/1/2004
[	TO:	5/31/2004

Date of Receipt	Description		General Account	Payroll Account	Tax Account
				,	
Hauser A/R BIE A/R	-				
TOTAL RECEIPTS	onithis page: (Total will Automatically c	arry(to p1)	0 .		

in re: Hauser, inc.	
A Delaware Corporation	
	Debto
Chapter 11 Case No:	LA 03-18795-BB

- 7												
ļ	Debtor In Possession Inter	Debtor In Possession Interim Statement										
i	Statement Number:	14										
i	For the period-											
	FROM:	5/1/2004										
	TO:	5/31/2004										

Date of						
Disbursement	Check Number	Payee	Purpose	General Account	Payroll Account	Tax Account
	See attached			88,769		
•						
			<u></u>			
			<u></u>	<u></u>		
 	· · · · · · · · · · · · · · · · · · ·				·····	
TOTAL DISBURSI	ENTS on this page	(Total Will automati	cally carry to p1) x = 2	88769	Company of the same	

Hauser, Inc.
Debtor In Possession Interim Statement #14
May 1 to May 31, 2004
Detail Sheet F; Cash Disbursements

Category	Payroll	Payroll	Void	Void	Insurance	Insurance	Payroll	Payroll	Payroll	All Other Expenses	Payroll	All Other Expenses	All Other Expenses	All Other Expenses	All Other Expenses	All Other Expenses	Payroll	All Other Expenses	All Other Expenses	Payroll	Payroll	Payroll	Payroll	Payroll	All Other Expenses	All Other Expenses	All Other Expenses	All Other Expenses	Payroll	All Other Expenses	Void											
Description	Executive Manager	2,930 Professional Management Services	Void	Void	8,500 Liability Ins, 4/30/04-4/30/05	5,106 CRO General Liability Prnt	1,208 Accounting Consulting	881 Accounting Consulting	2,704 Executive Management Services	Expense Reimbursement	HR Consulting	Annual Statement of Info	Annual Statement of Info	5,000 Otr 1 Pmt, Hauser	Otr 1 Pmt, BIE	Otr 1 Pmt, ZetaPharm	Accounting Consulting	Expense Reimbursement	Cell Phone for R Buck	Accounting Consulting	Executive Management Services	IT Consulting	Professional Management Services	Executive Management Services	Telephone for El Segundo	Audit for HP 401K Plan	IT Service	Environmental Site Assessment	HR Consulting	Postage, CA	Void											
Amount	4,000	2,930	•	•	8,500	5,106	1,208	881	2,704	92	713	25	25	5,000	1,250	250	1,111	78	45	1,069	4,000	200	2,930	2,704	222	5,912	3,498	1,990	788	20	•	•	•	1	•	1	•		•	•	•	
BIE																																										
Hauser	4,000	2,930	-	•	8,500	5,106	1,208	881	2,704	92	713	25	25	2,000	1,250	250	1,111	78	45	1,069	4,000	200	2,930	2,704	222	5,912	3,498	1,990	788	90	•	1		,	•	•	•	٠	•	•	•	•
Vendor Name	KENNETH C	5/4/2004 J. E. FADLEY	QIOA	NOID	5/6/2004 ACORDIA	AICCO	5/6/2004 KATHLEEN ATKINSON	5/6/2004 ROBERT BUCK	5/6/2004 THOMAS HANLON ASSOCIATES	5/6/2004 THOMAS HANLON	5/6/2004 JEAN PAULSON-KISLESKY	5/6/2004 STATE OF CA	5/6/2004 STATE OF CO	5/6/2004 US TRUSTEE PROGRAM	5/6/2004 US TRUSTEE PROGRAM	5/6/2004 US TRUSTEE PROGRAM	5/12/2004 KATHLEEN ATKINSON	5/12/2004 KATHLEEN ATKINSON	AT&T	5/12/2004 ROBERT BUCK	5/12/2004 KENNETH CLEVELAND ASSOCIATES	5/12/2004 DUANE COWGER	5/12/2004 J. E. FADLEY	5/12/2004 THOMAS HANLON ASSOCIATES	SBC	5/12/2004 BDO SEIDMAN, LLP	HTS	METRIX	5/12/2004 JEAN PAULSON-KISLESKY	5/12/2004 POSTAL PRIVILEGE	VOID	NOID	VOID	VOID								
Check Date	5/4/2004	5/4/2004	5/4/2004 VOID	5/4/2004 VOID	5/6/2004	5/6/2004 AICCO	5/6/2004	5/6/2004	5/6/2004	5/6/2004	5/6/2004	5/6/2004	5/6/2004	5/6/2004	5/6/2004	5/6/2004	5/12/2004	5/12/2004	5/12/2004 AT&T	5/12/2004	5/12/2004	5/12/2004	5/12/2004	5/12/2004	5/12/2004 SBC	5/12/2004	5/12/2004 HTS	5/12/2004 METRIX	5/12/2004	5/12/2004	5/13/2004 VOID											
Check No.	4	001325	001327	001328	005312	005313	005314	005315	005316	005317	005318	005319	005320	005321	005322	005323	005324	005325	005326	005327	005328	005329	005330	005331	005332	005333	005334	005335	005336	005337	0009	6001	6002	6003	6004	6005	9009	6007	8009	6009	6010	6011
	-	2	က	4	2	တ	7	ω	6	10	7	12	13	14	15	16	17	18	19	50	21	22	23	24	25	56	27	28	59	30	31	32	33	88	35	36	37	88	39	9	41	45

Hauser, Inc.
Debtor In Possession Interim Statement #14
May 1 to May 31, 2004
Detail Sheet F; Cash Disbursements

	Category	Void	All Other Expenses	All Other Expenses	All Other Expenses	Payroll	Payroll	All Other Expenses	Payroll	Payroll	Payroll	Void	Void	All Other Expenses	Void	Payroll	Void	All Other Expenses	Payroll	Payroll	Payroll	Payroll	Payroll	All Other Expenses	Payroll	Payroll	All Other Expenses	All Other Expenses	All Other Expenses	All Other Expenses	All Other Expenses								
	Description	Void	Gas Cylinders Pick-Up/Cylinder charge	Phone Lease	Annual Emissions Fee	Professional Management Services	HR Consulting	Expense Reimbursement	Accounting Consulting	Executive Management Services	Accounting Consulting	Void	Void	Expense Reimbursement	Void	Executive Management Services	Void	May Records Mgnt	Professional Management Services	HR Consulting	Accounting Consulting	Executive Management Services	Accounting Consulting	El Segundo Phone - final billing	Executive Management Services	IT Consulting	280 QuickBooks Check Order	Shipping Expense	590 Client Analysis Service Charge	83 Shipping Expense	81 Shipping Expense								
	Amount	,		-			1	•	,	522	3,000	551		_	_	1,033	4,000	1,369	•	-	28 F	-	2,704		84	2,930	_	1,610 /		926	20	2,704	200	280	69	290 (	83 8	81 8	002.00
	BIE																																						
	Hauser	1	1		,	•		•	f	522	3,000	551	2,930	563	150	1,033	4,000	1,369	•		28	•	2,704	ŝ	8	2,930	750	1,610	4,000	926	20	2,704	200	280	69	290	83	81	00 100
	Check Date Vendor Name	5/13/2004 VOID	5/19/2004 AMERIGAS	5/19/2004 BAY 4 CAPITAL	5/19/2004 CO DEPT OF PUBLIC HEALTH	5/19/2004 J. E. FADLEY	5/19/2004 JEAN PAULSON-KISLESKY	5/19/2004 JEFF FADLEY	5/19/2004 KATHLEEN ATKINSON	5/19/2004 KENNETH CLEVELAND ASSOCIATES	5/19/2004 ROBERT BUCK	5/19/2004 VOID	5/19/2004 VOID	5/19/2004 THOMAS HANLON	5/19/2004 VOID	5/19/2004 THOMAS HANLON ASSOCIATES	5/26/2004 VOID	5/26/2004 IRON MOUNTAIN	5/26/2004 J. E. FADLEY	5/26/2004 JEAN PAULSON-KISLESKY	5/26/2004 KATHLEEN ATKINSON	5/26/2004 KENNETH CLEVELAND ASSOCIATES	5/26/2004 ROBERT BUCK	5/26/2004 SBC	5/26/2004 THOMAS HANLON ASSOCIATES	5/26/2004 DUANE COWGER	5/7/2004 INTUIT	5/14/2004 UNITED PARCEL SERVICE	5/20/2004 WELLS FARGO	5/21/2004 UNITED PARCEL SERVICE	5/2282004 UNITED PARCEL SERVICE								
<u>×</u>	che	6012 5	6013 5	6014 5	6015 5/	6016 5/	6017 5/	6018 5/	6019 5/						-										_		-	-	_					ED0507B	_			ED0528 5/7	
		43	44	45	46	47	48	49	20	51	52	53	72	55	56	22	58	59	90	61	62	63	49	65	99	29	89	69	20	7.1	22	73	-	75	92	77	7.8	79	

In re: Hauser Technical Servi	ces, Inc.	Debt	or in Possession Inte	erim Statement
A Delaware Corporation	]	Statement Nun	nber:	14
	j)	For the per	riod-	
	Debtor	RECEIMEN	FROM:	May 1, 2004
Chapter 11 Case No:	LA 03-18798-BB		TO:	May 31, 2004

	Mose was			
CASH ACTIVITY ANALYSIS (Cash Basis		General:Account	Payroli Account	Tax Account
<ul> <li>A. Total Receipts per all Prior Interim State</li> </ul>		5,382,213	-	•
B. Less: Total Disbursements per all Prior	Statements	5,372,620	-	<u>-</u>
C. Beginning Balance (A less B)		9,593		
<ul> <li>D. Receipts during Current Period (Describe</li> </ul>	be each receipt; Attach Separate Lis	sting if Necessary)		
5-03-04 - Customer Receipts		25,407		
5-04-04 - Advance from Hauser, Inc.		170,000		
5-09-04 - Customer Receipts		3,255		
5-11-04 - Customer Receipts		22,766		
5-14-04 - Customer Receipts		19,263		
5-18-04 - Customer Receipts		6,495		
5-18-04 - Customer Receipts		40,685		
5-21-04 - Customer Receipts		3,379		
5-25-04 - Customer Receipts		1,450		
5-26-04 - Customer Receipts		3,875		
5-27-04 - Customer Receipts		4,901		
5-28-04 - Customer Receipts		84,000		
From Detail Sheet "D"		ALC: SERVICE	SECTION OF ACCUSE	Name and the second
TOTAL RECEIPTS THIS PERIOD (D):		385,476		
E. Balance Available (C plus D)		395,069		en a company of the c
F. Less: Disbursements during Current Per	riod (Describe "date", "Check#", "Pa	yee/Purpose"; Attac	h separate listing If	needed)
From Detail Sheet "F"		308,173		
TOTAL DISBURSEMENTS THIS PERIOD (	(F):	308,173		
G. Ending Balance (E less F)		86,896	raina itan aran n•rai	her project and an inter-
				~_~_~

H. Depositories	Depository Name	Depository Location	Account Number
(1) General Account	Wells Fargo Bank	4945 063840	
(2) Payroli Account	Wells Fargo Bank	4945 086361	
(3) Tax Account	no	ne	

(2) Payroll Account	Wells Fargo Bank - Los Angeles, CA	4945 086361
(3) Tax Account	none	

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١			
	1 Other menion on bond (Considertune	and location) (i.e. Confidentes of Donneit Both, Cook);	
	t. Other monies on hand (Specify type	and location) (i.e. Certificates of Deposit, Petty Cash):	
	Type Location		
	rype Location		

Not to exceed \$1,000

I, (Print Name:) Thomas W. Hanlon, Secretary / Treasurer \_,declare under penalty of perjury that the information contained in the above Debtor in Possession Interim Statement is true and complete to the best of my knowledge.

Dated: June 4, 2004

Denver, CO

Debtor In Possession or Trustee Signature

Secretary / Treasurer

Petty Cash

In re: Hauser Technical Services, Inc.

A Delaware Corporation

Chapter 11 Case No:

ervices, Inc.

LA 03-18798-BB

Debtor ossession Interim Statement

Statement Number:

For the period: FROM:

5/1/2004

14

TO: 5/31/2004

Date of Disbursement	Check Number	Payee		Purpose	General Account	Payroli Account	Tax Account
5/5/2004	12567	6800 Broadway Business Center, LLC	Т	May Clear Creek Rent	24,400		
5/5/2004	12568	Woodspear Properties	$\mathbb{I}$	May Gunbarrel Rent	17,116		
5/6/2004	12569	Payroll - Final Check	${\mathbb T}$	Payroll & Payroll Taxes	7,741		
5/6/2004	12570	Void - Misprint		0	0		
5/6/2004	12571	Ace Glass, Inc.		Other	122		
5/6/2004	12572	Advanced Trailer Leasing 004		Other	134		
5/6/2004	12573	Aetna (Dental)	L	May Dental Insurance Premium	2,562		
5/6/2004	12574	Airgas Dry Ice		Other	334		
5/6/2004	12575	AT&T Wireless Services		Other	90		
5/6/2004	12576	Attentive Action, Inc.	$\perp$	April Cleaning Service/Clear Creek	1,314		
5/6/2004	12577	Biopharma Compliance Services, LLC		Contract Project Services	3,200		
5/6/2004	12578	Biotest Diagnostics Corporation	$\perp$	Other	197		
5/6/2004	12579	Cleaning Service	$\perp$	Gunbarrel Cleaning Service	350		
5/6/2004	12580	Cole-Parmer Instrument Co.		Other	183		
5/6/2004	12581	Corporate Express		Other	268		
5/6/2004	12582	CRC Press I LLC		Dictionary of Natural Products Subscripti	1,730		
5/6/2004	12583	Cynthia S. Thompson	T	Mileage	31		
5/6/2004	12584	David Dunn	Τ	Mileage	158		
5/6/2004	12585	Denver Reserve	T	Monthly Service Fee	77		
5/6/2004	12586	Federal Express	Τ	Freight	859		
5/6/2004	12587	Hauser (Microbac)	T	Analytical Lab Services	3,610		
5/6/2004	12588	Inland Vacuum Industries	T	Other	65		
5/6/2004	12589	Janelle Bailey	T	Lab Supplies	36		
5/6/2004	12590	Jefferson Pilot Financial Insurance Co.	T	May Life Insurance Premium	820		
5/6/2004	12591	Kinderwater Environmental	T	Environmental Consulting Services	280		····
5/6/2004	12592	Melissa Varner	1	Eli Lilly marketing lunch	48		<del></del>
5/6/2004	12593	Quantum Analytics	T	Other	355		
5/6/2004	12594	QWEST - 023B (was 179B)	1	Other	164		
5/6/2004	12595	QWEST - 146B (was 421B)	T	Other	308		
5/6/2004	12596	Qwest - 922B (was 612B)	T	Other	47		
5/6/2004	12597	Qwest 231B	$\top$	Phone Service/Clear Creek	965		
5/6/2004	12598	Sean Garrett	T	Batteries & Mileage	110		
5/6/2004	12599	Sigma-Aldrich	T	Chemicals	538		
5/6/2004	12600	Spectrum Chemicals & Laboratory Products	T	Other	39		
5/6/2004	12601	Top Hat Supply Company	7	Janitorial Supplies	336		···
5/6/2004		Tri-R Systems, Inc.	†	Other	58		<del>"</del>
5/6/2004	12603	U.S. Trustee	$\top$	1st Qtr 2004 Chapter 11 fees	5,000		
5/6/2004		UDI, The Sandwichman	十	Other	154		
5/6/2004		V W R Scientific, Inc.	十	Lab equipment & supplies	1,710		<del></del>
5/6/2004		Vision Service Plan	T	May Vision Insurance Premium	186		· · · · · · · · · · · · · · · · · · ·
5/12/2004		Agilent Technologies	T	Column for Project	795		
5/12/2004		Airgas Dry Ice	†	Other	140		
5/12/2004		Aramark	十	Other	180		· · · · · · · · · · · · · · · · · · ·
5/12/2004		Federal Express	十	Other	471		
5/12/2004		Full Spectrum Analytics, Inc.	十	Monthly Service Contract	5,854		
5/12/2004		GE Capital	十	Personal prop tax on leased copier	27		
5/12/2004		Inland Vacuum Industries	$\top$	Other	130		
5/12/2004		Jackie L. Nelson	$\dagger$	Mileage	43		
5/12/2004		Jeol USA, Inc.	T	Monthly Service Contract	1,560		
5/12/2004		Kathy Granillo	$\dagger$	Office Supplies	42		
5/12/2004		Linweld, Inc.	+	Other	95		
5/12/2004		Mile Hi Culligan Water, Inc.	十	Other	155		
5/12/2004		Motion Telecom, Inc (was Univance)	$\dagger$	Other	188		
5/12/2004		Mtech	+	Equipment Repair	2,358		

Debtor

In re: Hauser Technical Services, Inc. A Delaware Corporation

Debto.

'ossession Interim Statement Statement Number:

For the period:

5/1/2004

14

FROM:

ŤO:

5/31/2004

Debtor Chapter 11 Case No: LA 03-18798-BB

Date of Disbursement	Check Number	Payee	Purpose	General Account	Payroll Account	Tax Account
5/12/2004	12621	Office Depot - Void	Void	0		
5/12/2004	12622	QA Balance Services, Inc.	Instrument Calibration	1,417		
5/12/2004	12623	QWEST - 564B (was 701B)	Other	50		
5/12/2004	12624	Qwest 230M	Other	139		
5/12/2004	12625	Qwest 692B (was 723B)	Gunbarrel Phone Service	942		
5/12/2004	12626	RDH, Inc	Supplies for Project	502		
5/12/2004	12627	Super Tech Filter Corp	Other	68		
5/12/2004	12628	Todd Klimkowsky	Mileage & Supplies	137		
5/12/2004	12629	Waste Management of Denver	Waste Pickup	55		
5/12/2004	12630	Waters Corporation	Monthly Service Contract	2,685		
5/20/2004	12631	bioMERIEUX VITEK, INC.	Other	92		
5/20/2004	12632	Biopharma Compliance Services, LLC	Contract Project Services	2,880		·
5/20/2004	12633	CGLIC-Phoenix EASC	May Medical Insurance Premium	29,389		<del> </del>
5/20/2004	12634	GE Capital	Copier Leases	589		
5/20/2004	12635	Industrial Chemicals Corporation	Alcohol for Project	1,015		
5/20/2004	12636	Industrial Container Services	Other	305		
5/20/2004	12637	INFOTRAC, Inc.	Emergency Hazmat Notification Service	370		
5/20/2004	12638	Mtech	Building Maintenance	696		
5/20/2004	12639	Polymer Laboratories, Inc.	Column for Project	1,195		
5/20/2004	12640	QWEST - 469B	Other	387		
5/20/2004	12641	RDH, Inc	Other	238		
5/20/2004	12642	Restek Corporation	Other	126		
5/20/2004	12643	USFilter	Other	210		
5/20/2004	12644	W W Grainger, Inc.	Other	93		
5/20/2004	12645	Xcel Energy (Clear Creek)	Clear Creek April Utilities	9,502		
5/20/2004	12646	Xcel Energy (Gunbarrel)	Gunbarrel April Utilities	1,633		
5/27/2004	12647	Denver Reserve	Payroll Deductions/fees	1,953		
5/27/2004	12648	HAZMATPAC	Other	258		
5/3/2004	Wire Trnsf	Putnam Transfer (401k)	401 K Deposit	5,733		
5/13/2004		Putnam Transfer (401k)	401 K Deposit	5,796		
5/30/2004	Wire Trnsf	Putnam Transfer (401k)	401 K Deposit	5,771		
		Payroll 5-13 - Direct Deposit	Payroli & Payroli Taxes	40,738		
5/15/2004		Payroll 5-13 - Taxes	Payroll & Payroll Taxes	24,690		
		Payroll 5-13 - Checks	Payroll & Payroll Taxes	9,529		
		Payroll 5-27 - Direct Deposit	Payroll & Payroll Taxes	40,035		<del></del>
		Payroll 5-27 - Taxes	Payroll & Payroll Taxes	20,685		
		Payroll 5-27 - Checks	Payroll & Payroll Taxes	9,456		
		ADP Processing Fee	Payroll Processing Fee	218		
		ADP Processing Fee	Payroll Processing Fee	139		
		ADP Processing Fee	Payroll Processing Fee	208		<del> </del>
4/20/2004			# Bank Fee	516		
		this page: (Total will automatically carry to:p(t)				



Office of the United States Trustee Component of the Unit

1. Profit and Loss Statement (Accrual Basis Only)

A Polytad in Business Operations:	<u> </u>	<del></del>	<del></del>	<del></del>
A. Related in Business Operations:	INCOME			
Gross Sales	INCOME			Carterion Secretarion
(Sales Returns and Discounts)				reflection (backers)
11				
		SERVICE CONTRACTOR OF THE SERVICE CONTRACTOR		
Beginning Inventory at Cost	ļ			
Add: Purchases		F-10-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1		
Less: Ending Inventory at Cost				
Cost of Goods Sold				
Gross Profit				Section 1
Other Operating Revenues - Rentals				4. 中种种组织 第二次
Total Income	No makes and a metal of the control	<b>能导致。除为基础</b>		
	EXPENSES	Land of the second seco		
Officer Compensation				
Salaries and Wages - Other Employees				
Employee Benefits and Pensions	N. S. Paris Control of the Control o			
Total Employee wages, benefits, and pensions				
Payroll Taxes				
Real Estate Taxes				
Federal and State Income Taxes	L			
Total Taxes	<b>在企業等。對於各個的</b>			
Rent and Lease Exp. (Real and Personal Property)				
Interest Expense (Mortgage, Loan, etc.)				
Insurance				
Automobile Expense				
Utilities (Gas. Electricity, Water, Telephone, etc.)				
Depreciation and Amortization				
Repairs and Maintenance				
Advertising				
Supplies, Office Expenses, Photocopies, etc.				
Bad Debts	l			
Miscellaneous Operating Expenses (See Attached)		Transfer Culture		
Total other operating costs & Expenses				
Total Operating Expenses				
Net Gain/Loss from Business Operations			And the state of t	
B. Not Related to Business Operations:	INCOMESCULARISE DE TERMINACIONAL MANAGEMENT REPRESANTA	AASTER CHEST LINE TO SELECT THE SECOND STANSAND		Transcribb Leinier and Street Leinier and Antimy to and Contract to St. Contract Co.
	INCOME		<del></del>	· · · · · · · · · · · · · · · · · · ·
Interest Income				
Other Non-Operating Revenues (Specify)				
Gross Proceeds on Sale of Assets				
Less: Original Cost of Assets plus Expenses of Sale				
Net Gain/Loss on Sale of Assets				
Total Non-Operating Income				
	EXPENSES	and the state of t	Parameter (1974)	and the second s
Legal and Professional Fees (Specify)				
Other Non-Operating Expenses (Specify)				
Total Non-Operating Expenses				
Net Gain/Loss Not from Business Operations			<b>建设设置设置建筑</b>	
NET INCOME / LOSS FOR PERIOD				
MET INCOME LOSS FOR PERIOD	和国家中国的政治的政治,但是		Detail Abel College College	COMPANY OF THE PARTY OF

See Attached Sheet

2. Aging of Accounts Payable and Accounts Receivable\*
\*exclude pre-petition accounts payable

		Accounts
	Accounts Payable	Receivable
Current - Under 30 Days	- 1	-
Overdue - 31 - 60 Days	-	-
Overdue - 61 - 90 Days	-	
Overdue - 91 - 120 Days	67	-
Overdue - Over 121 Days	251	414,290
TOTAL	318	414,290

3. Statement of Status of Payments to Secured Creditors and Lessors:

				Post-Petition Pay	ments Not Made*
	Frequency of				
	Payments per	İ	1		
	Contract/Lease	Amount of Each	j [		
Creditor/Lessor	(I.e. mo/qtr)	Payment	Next Payment Due	Number	Amount
* Explanation for Non-Payn	nent:				

* Explanation for Non-Payment:	

4.	Tax	Lia	bi	litv:

Gross Payroll Expense for Period:	N/A
Gross Sales Subject to Sales Tax for Period:	N/A

Type of Tax	Date Paid	Amount Paid*	Post-Petition Taxes Still Owing
Federal Payroll and Withholding Taxes			N/A
State Payroll and Withholding Taxes			N/A
State Sales and Use Taxes			-
Real Property Taxes			-

<sup>\*</sup> Attach photocopies of depository receipts from taxing authorities or financial institutions to verify that such deposits or payments have been made.

5.Insurance Coverage:

	Carrier/Agent	Amount Of	Policy Expiration	Premium Paid
Type of Insurance	Name	Coverage	Date	Through Date
Workers' Compensation				
Liability				
Fire and Extended Coverag	e			
Property				
Theft				
Life (list beneficiary)				
Vehicle				
Other (specify)				

Please see attachment for insurance coverage

· !		<b> </b>	Policy	Premium Paid
Type of Insurance	Carrier/Agent Name	Amount Of Coverage	Expiration Date	Through Date
Workers' Compensation	Wausau Insurance/Acordia	\$1MM/\$1MM/\$1MM	4/1/2005	4/1/2005
California	Incl			
Colorado	Incl			
Liability			<del> </del>	
HTS	Evanston Insurance/Acordia	\$1MM	2/15/2005	6/15/2004
Hauser Longmont	Nautilus/Acordia	\$1MM	cano	elled
Hauser El Segundo	Essex Insurance	\$1MM	canc	elled
Property	St. Paul/Acordia	See Below	6/1/2005	7/1/2004
Real Property	St. Paul/Acordia	1,618,532	"	н
Personal Property	St. Paul/Acordia	6,508,698		,,
Machinery	St. Paul/Acordia	9,654,327	"	"
Business Income	St. Paul/Acordia	1,100,000	н	Ħ
Property of Others	St. Paul/Acordia	985,177	"	Ħ
Theft-Money	St. Paul/Acordia	10,000	"	r
Life (list beneficiary)				
Vehicle	St. Paul/Acordia	1,000,000	6/1/2005	7/1/2004
California	No Autos			
Other	1 vehicle in CO			
Other (specify)				
Flood & Earthquake (DIC)	Mt.Hawley/Great American/Greenwich Insurance Co/Acordia		canc	elled
D&O	XL Specialty/Acordia	10,000,000	11/1/2009	11/1/2009
Excess	St. Paul/Acordia	5,000,000	canc	elled
Employment Practices Liabili	Hudson Insurance/Acordia	1,000,000	11/1/2004	11/1/2004
Cargo	St. Paul/Acordia	1,000,000	canc	elled
Foreign Liability	St. Paul/Acordia	2,000,000	canc	
Fiduciary	Chubb/Acordia	1,000,000	4/30/2005	4/30/2005
Crime/Employee Dishonesty	St. Paul/Acordia	200,000	6/1/2005	7/1/2004

6. Question	ns:								
the approval of	tor in Possession provi the Office of the United YES (Explain:) NO			ficers, directors, s	share	holders, or other princi	pals without		
except as have	in Possession, subseque been authorized by the YES (Explain:)		ne filing of the petition	on, made any pay	rment	s on its pre-petition un	secured debt		
7. Stateme	ent of Unpaid Pro	fessio	onal Fees (Pos	st-Petition Ar	nou	nts only).			
			Name of Profes	ssional		ype of Professional ttorney, accountant, etc.)	Total Post-Petition Amount Unpaid	]	
		Unpaid	Professional Fees					-	
			, Inc.'s Operating R		1			1	
	* * * * * * * * * * * * * * * * * * * *							]	
		<u> </u>			1			_	
		<u> </u>						_	
	None								
9. Quarterl *This Fee must	y Fees* be paid to the United S Total Disbursements	tates Tro	ustee every calenda	r quarter				1	
Period Ending	for Quarter	ا	uarterly Fee	Date Paid		Amount Paid	Check Number	Quarterly Fee	Still Owing
6/30/2003	None	\$	250	8/1/2003	\$	250	3902	\$	
9/30/2003	5,332,810	\$	250	11/20/2003	\$	250	4690	\$	-
9/30/2003	5,332,810	\$	7,750	12/29/2003	\$	7,750	4888	\$	-
12/31/2003	9,581,934	\$	12,000	2/26/2004	\$	12,000	5165	\$	
3/31/2004	202,506	\$	1,250	5/5/2004	\$	1,250	5322	\$	-
					<del></del>				
J		<del> </del>			┼		<del></del>	<del> </del>	
I, (Name/Title:) that the informat	Thomas W. Hanlon, So ion contained in the ab 2004	ecretary ove Deb	/ Treasurer tor in Possession O	perating Report is	s true		declare under penalt est of my knowledge		
					<del></del>	JUW	mun-		
						itor in P6ssession or T retary/Treasurer	rustee		

## Botanicals International Extracts, Inc.

May 31, 2004 (dollars in thousands)

	Current Month Actual	One Month Ended Year-to-date Actual
Sales	180	360
Cost of Sales	-	<del>-</del>
Gross margin	180	360
Sales and marketing G & A expenses Total Contribution		360
Corporate Services Operating income (loss)	180	360
Interest expense Profit (Loss) before Other Income (Expense) & Discontinued Operation	180	360
Gain/(Loss) on Disposal of Assets Chapter 11 Reorganization Costs Profit (loss) before tax	180	360
Income taxes	-	-
Net income (loss)	180	360

In re: Botanicals International Extracts Inc. A Delaware Corporation

Debtor In Possession Operating Report Report Number: 14

Mi	scellaneous Operating Expenses
_	
_	
_	
	Total Miscellaneous Operating Expenses
i ii ii ii	ing ang ang ang ang ing transposition to be the property of the state of the state of the special of the land
Le	gal and Professional Fees
CENT.	
	Total Legal and Professional Fees
Ot	her Non-Operating Expenses
	Total Other Non-Operating Expenses

Office of the United States Trustee Debtor In Possession Operating Report

In re: Hauser Inc. A Delaware Corporation Debtor Chapter 11 Case No: LA 03-18795-BB

Report Number: 14 15 FROM: May 1, 2004 May 31, 2004 *ि*ने0:⊋.

1. Profit and Loss Statement (Accidal ba	isis Offiy)						
A. Related in Business Operations:							
INCOME							
Gross Sales							
(Sales Returns and Discounts)							
Net Sales		THE REAL PROPERTY.					
Beginning Inventory at Cost							
Add: Purchases							
Less: Ending Inventory at Cost							
Cost of Goods Sold							
Gross Profit				1			
Other Operating Revenues - Rentals							
Total Income			- 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1				
	EXPENSES		Annual Control of the	Commence of the second			
Officer Compensation							
Salaries and Wages - Other Employees							
Employee Benefits and Pensions							
Total Employee wages, benefits, and pensions							
Payroll Taxes	A CONTRACTOR OF THE PROPERTY O						
Real Estate Taxes							
Federal and State Income Taxes	<del></del>						
Total Taxes							
Rent and Lease Exp. (Real and Personal Property)	Sintercon an in Security and Author Property of						
Interest Expense (Mortgage, Loan, etc.)	<del></del>						
Insurance	L		1960 - Control 9				
Automobile Expense							
Utilities (Gas. Electricity, Water, Telephone, etc.)							
Depreciation and Amortization	··- · · · · · · · · · · · · · · · · · ·						
Repairs and Maintenance	<del></del>						
Advertising							
Supplies, Office Expenses, Photocopies, etc.	<del></del>						
Bad Debts	·						
Miscellaneous Operating Expenses (See Attached)							
Total other operating costs & Expenses							
Total Operating Expenses		**************************************					
Net Gain/Loss from Business Operations							
B. Not Related to Business Operations:							
B. Not Related to Business Operations.	INCOME		<del> </del>				
Interest Income							
Other Non-Operating Revenues (Specify)		<del> </del>					
Gross Proceeds on Sale of Assets							
Less: Original Cost of Assets plus Expenses of Sale	<del></del>						
Net Gain/Loss on Sale of Assets	STATE OF THE STATE						
Total Non-Operating Income							
rotal Non-Operating Income	EXPENSES	<b>经验证的保证的</b>					
Legal and Professional Fees (Specify)	LAPENSES	<del></del>	SALESH SERVICE SALES FOR A SALES OF SALES				
Other Non-Operating Expenses (Specify)							
Total Non-Operating Expenses							
,							
Net Gain/Loss Not from Business Operations							
NET INCOME / LOSS FOR PERIOD							

See Attached Sheet

2. Aging of Accounts Payable and Accounts Receivable\*
\*exclude pre-petition accounts payable

	Accounts Payable	Accounts Receivable
Current - Under 30 Days	3,071	30,000
Overdue - 31 - 60 Days	-	-
Overdue - 61 - 90 Days	(4,906)	-
Overdue - 91 - 120 Days	-	15,165
Overdue - Over 121 Days	3,197	369,169
TOTAL	1,362	414,334

3. Statement of Status of Payments to Secured Creditors and Lessors:

				Post-Petition Pay	ments Not Made*
	Frequency of				
	Payments per	ı			
	Contract/Lease	Amount of Each			
Creditor/Lessor_	(l.e. mo/qtr)	Payment	Next Payment Due	Number	Amount
GE Capital	Monthly	198	2/12/2004	1	198
Bay 4 Capital	Monthly	1,000	5/15/2004		
	<u> </u>				
]				<del> </del>	
		<u> </u>		·	
					<u> </u>

	fanation for Non-Payment:
The F	lauser equipment under the GE Capital lease has been returned and we are awaiting a final reconcilliation of amounts due.
A -	Toy Liphility

4. Tax Liability:	
Gross Payroll Expense for Period:	
Gross Sales Subject to Sales Tax for Period:	N/A

Type of Tax	Date Paid	Amount Paid*	Post-Petition Taxes Still Owing
Federal Payroll and Withholding Taxes	None		
State Payroll and Withholding Taxes	None		
State Sales and Use Taxes	None		291
Real Property Taxes			

<sup>\*</sup> Attach photocopies of depository receipts from taxing authorities or financial institutions to verify that such deposits or payments have been made.

5.Insurance Coverage:

	Carrier/Agent	Amount Of	Policy Expiration	Premium Paid
Type of Insurance	Name	Coverage	Date	Through Date
Workers' Compensation				
Liability				
Fire and Extended Coverage				
Property				
Theft				
Life (list beneficiary)				
Vehicle				
Other (specify)				

Please see attachment for insurance coverage

6. Questio	ns:					
	otor in Possession provi i the Office of the United YES (Explain:) NO	ded compensation to any of d States Trustee?	ficers, directors, s	hareholders, or other princ	cipals without	
	in Possession, subseque been authorized by the YES (Explain:)	uent to the filing of the petitic Court?	on, made any payr	ments on its pre-petition u	nsecured debt	
7. Stateme	ent of Unpaid Pro	ofessional Fees (Pos	st-Petition An	nounts only).		
				Type of Professional		7
		#		(Attorney, accountant,	Total Post-Petition	)
		Name of Profes	ssional	etc.)	Amount Unpaid	
		Stutman, Treister & Glatt		Attorney	\$ 908,000	
		Kaye Scholer LLP		Attorney	\$ 422,000	
		Peitzman, Glassman, Weg	& Kempinsky LLF		\$ 47,000	
		Hogan & Hartson, LLP		Attorney	\$ 97,000	<b></b>
		BDO Seidman		Accountant	\$ 10,000	
		Deloitte & Touche LLP		Accountant	\$ 56,000	
		FTI		Accountant	\$ 50,000	<b>31</b>
		Willkie Farr & Gallagher		Attorney	\$ 99,000	_]
		ort of Significant Eve Please use this area for co				
		· · · · · · · · · · · · · · · · · · ·	<del> </del>			
		·				
					<del></del>	
9. Quarterl		tates Trustee every calenda	r quarter			
Quarterly	Total Disbursements					
Period Ending	for Quarter	Quarterly Fee	Date Paid	Amount Paid	Check Number	Quarterly Fee Still Owing
6/30/2004	6,997,191	\$ 10,000	8/7/2003	\$ 10,000	3946	\$ -
9/30/2004	3,108,371	\$ 10,000	11/6/2003	\$ 10,000	4630	\$ -
12/31/2004	3,447,790	\$ 6,000	2/26/2004	\$ 6,000	5161	\$ -
3/31/2004	1,185,120	\$ 5,000	5/5/2004	\$ 5,000	5321	\$ -
I, (Name/Title:)	Thomas W. Hanlon, C	hief Financial Officer			,declare under penalt	y of perjury

that the information contained in the above Debtor in Possession Operating Report is true and complete to the best of my knowledge

Dated: June 12, 2004

Debtor In Possession or Trustee Chief Financial Officer

In re: Hauser Inc.
A Delaware Corporation

Debtor In Possession Operating Report Report Number: 14

			Policy	Premium Paid
Type of Insurance	Carrier/Agent Name	Amount Of Coverage	Expiration Date	Through Date
Workers' Compensation	Wausau Insurance/Acordia	\$1MM/\$1MM/\$1MM	4/1/2005	4/1/2005
California	Incl			
Colorado	incl			
Liability				
HTS	Evanston Insurance/Acordia	\$1MM	2/15/2005	6/15/2004
Hauser Longmont	Nautilus/Acordia	\$1MM	cano	elled
Hauser El Segundo	Essex Insurance	\$1MM	canc	elled
Property	St, Paul/Acordia	See Below	6/1/2005	7/1/2004
Real Property	St. Paul/Acordia	1,618,532	,u	11
Personal Property	St. Paul/Acordia	6,508,698	"	
Machinery	St. Paul/Acordia	9,654,327	n	н
Business Income	St. Paul/Acordia	1,100,000	, "	"
Property of Others	St. Paul/Acordia	985,177	"	"
Theft-Money	St. Paul/Acordia	10,000	"	n
Life (list beneficiary)				
Vehicle	St. Paul/Acordia	1,000,000	6/1/2005	7/1/2004
California	No Autos			
Other	1 vehicle in CO			
Other (specify)				
Flood & Earthquake (DIC)	Mt.Hawley/Great American/Greenwich Insurance Co/Acordia		cano	elled
D&O	XL Specialty/Acordia	10,000,000	11/1/2009	11/1/2009
Excess	St. Paul/Acordia	5,000,000	cano	elled
Employment Practices Liabili	Hudson Insurance/Acordia	1,000,000	11/1/2004	11/1/2004
Cargo	St. Paul/Acordia	1,000,000	cano	elled
Foreign Liability	St. Paul/Acordia	2,000,000	cano	elled
Fiduciary	Chubb/Acordia	1,000,000	4/30/2005	4/30/2005
Crime/Employee Dishonesty	St. Paul/Acordia	200,000	6/1/2005	7/1/2004

## Hauser, Inc. May 31, 2004

(dollars in thousands)

	Current Month Actual	One Month Ended  Year-to-date  Actual
Sales	\$30	\$30
Cost of Sales	\$30	\$30
Gross margin	0	0
Sales and marketing G & A expenses Total Operating Cost Contribution	0 88 88 (88)	0 211 211 (211)
Corporate Services Operating income (loss)	(20) (68)	(40) (171)
New products expense Interest expense Profit (Loss) before Other Income	0 0 (68)	0 0 (171)
Gain/Loss on Sale of Equipment Income from Discontinued Operations Chapter 11 Reorganization Costs Profit (loss) before tax	8 0 (125) (185)	8 150 (260) (273)
Income taxes		
Net income (loss)	(\$185)	(\$273)

Miscellaneous Operating Expenses	
	·
Total Miscellaneous Operating Expenses	
Legal and Professional Fees	
्री गैंotal Legal and Professional Fees	
Other Non-Operating Expenses	
Total Other Non-Operating Expenses	

In re: Hauser Technical Services, Inc.	free contract	Debtor In Possession Operating Report		
A Delaware Corporation		Report Number: 14		
·	77°N: 1156	5 For the period-	·	
Debtor	2557 4277	FROM:	May 1, 2004	
Chapter 11 Case No: LA 03-18798-BB	su era sagrigad	TO:	May 31, 2004	

1. Profit and Loss Statement (Accrual Ba	asis Offiy)				
A. Related in Business Operations:					
<u></u>	INCOME	Total Control of Contr	Gord and State State of State		
Gross Sales					
(Sales Returns and Discounts)					
Net Sales					
Beginning Inventory at Cost			A STATE OF STREET		
Add: Purchases				tal Birthall San	
Less: Ending Inventory at Cost		PARTICIPATION OF THE	organistic com		
Cost of Goods Sold			Mary Constitution		
Gross Profit		Control of the Contro			
Other Operating Revenues - Rentals				经产品的 医生物性	
Total Income	Miletaka (antorias de mileta) esta antorias estas actualmentes de mileta estas				
	EXPENSES				
Officer Compensation	<u> </u>			Control of the Contro	
Salaries and Wages - Other Employees					
Employee Benefits and Pensions	Service Country of the Country of th				
Total Employee wages, benefits, and pensions					
Payroll Taxes					
Real Estate Taxes					
Federal and State Income Taxes	is communicated the control of the c				
			and the second second		
Rent and Lease Exp. (Real and Personal Property)	<u> </u>				
Interest Expense (Mortgage, Loan, etc.)	<del></del>				
Insurance	<del></del>				
Automobile Expense Utilities (Gas. Electricity, Water, Telephone, etc.)		and the same			
Depreciation and Amortization		PETER CARACTER STREET	The state of the s		
Repairs and Maintenance					
Advertising	<del></del>				
Supplies, Office Expenses, Photocopies, etc.					
Bad Debts					
Miscellaneous Operating Expenses (See Attached)			1.0	1.00	
Total other operating costs & Expenses					
Total Operating Expenses				To American Company	
Net Gain/Loss from Business Operations					
B. Not Related to Business Operations:					
B. Not Related to business operations.	INCOME	<del></del>	<del></del>	<del>_</del>	
Interest Income				LOCAL SECTION OF THE	
Other Non-Operating Revenues (Specify)				PART STATE	
Gross Proceeds on Sale of Assets					
Less: Original Cost of Assets plus Expenses of Sale					
Net Gain/Loss on Sale of Assets		under de Company de la company			
Total Non-Operating Income				12.00	
	EXPENSES	110 201 1 2 2 4 100 201		Anna San San San San San San San San San	
Legal and Professional Fees (Specify)					
Other Non-Operating Expenses (Specify)					
Total Non-Operating Expenses					
Net Gain/Loss Not from Business Operations			Charles Carl Establish		
NET INCOME / LOSS FOR PERIOD			Line by a sold of the state of		
	Reference and a second contract of the second	ment of the control of the state of the stat	1991年1月2日日本的日本中央中央大学社会区域中国的社会区域	THE PROPERTY HOLDS OF THE PROPERTY OF THE PARTY OF THE PA	

See Attached Sheet

z. Aging of Accounts Fay

*exclude pre-petition accou	nts payable	
		Accounts
	Accounts Payable	Receivable
Current - Under 30 Days	137,717	278,084
Overdue - 31 - 60 Days		84,307
Overdue - 61 - 90 Days		98,421
Overdue - 91 - 120 Days		-
Overdue Over 121 Dave		

## 3. Statement of Status of Payments to Secured Creditors and Lessors:

				Post-Petition Pa	yments Not Made*
	Frequency of				
	Payments per				
	Contract/Lease	Amount of Each	·		
Creditor/Lessor	(l.e. mo/qtr)	Payment	Next Payment Due	Number	Amount
US Filter	Semi-annual	110	11/4/2004	None	
US Filter	Quarterly	63	6/15/2004	None	
GE Capital	Monthly	589	6/12/2004	None	
Advanced Trailer Leasing	Monthly	134	6/14/2004	None	
Pure Water	Monthly	264	6/16/2004	None	
Quantum	Monthly	355	6/30/2004	None	
6800 Broadway Bsn Ctr	Monthly	26,672	6/1/2004	None	
Woodspear Properties	Monthly	17,116	6/1/2004	None	

* Explanation for Non-Payment:		
4. Tax Liability: Gross Payroll Expense for Period: Gross Sales Subject to Sales Tax for Period:	156,251 N/A	

			Post-Petition
Type of Tax	Date Paid	_ Amount Paid*	Taxes Still Owing
Federal Payroll and Withholding Taxes	by - 5/30/2004	39,916	-
State Payroll and Withholding Taxes	by - 5/30/2004	5,459	-
State Sales and Use Taxes	by - 7/20/2004	-	332
Real Property Taxes			

<sup>\*</sup> Attach photocopies of depository receipts from taxing authorities or financial institutions to verify that such deposits or payments have been made.

## 5.Insurance Coverage:

J.IIISUIAIICE COVEIA	<del>yo.</del>			
	Carrier/Agent	Amount Of	Policy Expiration	Premium Paid
Type of Insurance	Name	Coverage	Date	Through Date
Workers' Compensation				
Liability				
Fire and Extended Coverage				
Property				
Theft				
Life (list beneficiary)				
Vehicle				
Other (specify)				

Please see attachment for insurance coverage

x NO  the Debtor in Possession, subsequent to the filing of the petition, made any payments on its pre-petition unsecured debt spiral as have been authorized by the Court?  YES (Explain;)  NO  Statement of Unpaid Professional Fees (Post-Petition Amounts only).    Type of Professional (Attorney, accountant, Unpaid Professional Fees are listed in Hauser, Inc.'s Operating Report   Hauser, Inc.'s Operating Report   Hauser, Inc.'s Operating Report	ne apploval o	f the Office of the United	States irustee?				
the Debtor in Possession, subsequent to the filling of the petition, made any payments on its pre-petition unsecured debt apt as have been authorized by the Court?    X		YES (Explain:)					
and as have been authorized by the Court?  YESE (Explain:)  X  Statement of Unpaid Professional Fees (Post-Petition Amounts only).  Statement of Unpaid Professional Fees are listed in  Name of Professional  Unpaid  Report  8. Narrative Report of Significant Events and Events out of the Ordinary Course of Business*  ach separate sheet if necessary)  Please use this area for comments regarding the operation of the chapter 11 debtor  Re  Quarterly Fees*  S Fee must be paid to the United States Trustee every calendar quarter  Unarterly Total Disbursements Course of Section Science Course Course of Section Science Course Cour	X	JNO					
and as have been authorized by the Court?  YESE (Explain:)  X  Statement of Unpaid Professional Fees (Post-Petition Amounts only).  Statement of Unpaid Professional Fees are listed in  Name of Professional  Unpaid  Report  8. Narrative Report of Significant Events and Events out of the Ordinary Course of Business*  ach separate sheet if necessary)  Please use this area for comments regarding the operation of the chapter 11 debtor  Re  Quarterly Fees*  S Fee must be paid to the United States Trustee every calendar quarter  Unarterly Total Disbursements Course of Section Science Course Course of Section Science Course Cour	las the Debtor	in Possession, subsequ	ent to the filing of the pe	tition, made any pa	yments on its pre-petition u	nsecured debt	
Statement of Unpaid Professional Fees (Post-Petition Amounts only).    Name of Professional	xcept as have	been authorized by the	Court?	• • •	, ,		
Statement of Unpaid Professional Fees (Post-Petition Amounts only).    Name of Professional   Type of Professional   (Attorney, accountant, (Attorney, accountant, etc.)   Total Post-Petition Amount Unpaid Professional Fees are listed in Hauser, Inc.'s Operating Report							
Name of Professional (Altorney, accountant, Amount Unpaid Professional Unpaid Professional Fees are listed in Hauser, Inc.'s Operating Report  8. Narrative Report of Significant Events and Events out of the Ordinary Course of Business* tach separate sheet if necessary) Please use this area for comments regarding the operation of the chapter 11 debtor  9. Please use this area for comments regarding the operation of the chapter 11 debtor  1. See must be paid to the United States Trustee every calendar quarter  1. See must be paid to the United States Trustee every calendar quarter  1. See must be paid to the United States Trustee every calendar quarter  1. See must be paid to the United States Trustee every calendar quarter  1. See must be paid to the United States Trustee every calendar quarter  1. See must be paid to the United States Trustee every calendar quarter  1. See must be paid to the United States Trustee every calendar quarter  1. See must be paid to the United States Trustee every calendar quarter  1. See must be paid to the United States Trustee every calendar quarter  1. See must be paid to the United States Trustee every calendar quarter  1. See must be paid to the United States Trustee every calendar quarter  1. See must be paid to the United States Trustee every calendar quarter  1. See must be paid to the United States Trustee every calendar quarter  1. See must be paid to the United States Trustee every calendar quarter  1. See must be paid to the United States Trustee every calendar quarter  1. See must be paid to the United States Trustee every calendar quarter  1. See must be paid to the United States Trustee every calendar quarter  1. See must be paid to the United States Trustee every calendar quarter  1. See must be paid to the United States Trustee every calendar quarter  1. See must be paid to the United States Trustee every calendar quarter  1. See must be paid to the United States Trustee every calendar penalty every fee States and the Check Number of Business and the Check Number of	X	NO					
Name of Professional (Attorney, accountant, etc.)  Name of Professional Unpaid Professional Fees are listed in Hauser, Inc.'s Operating Report  Base use this area for comments regarding the operation of the Chapter 11 debtor  Report of Significant Events and Events out of the Ordinary Course of Business* tach separate sheet if necessary)  Please use this area for comments regarding the operation of the chapter 11 debtor  Report of the United States Trustee every calendar quarter  Report of Vial Disbursements for Quartery Total Disbursements Quartery Fee Date Paid Amount Paid Check Number Owing (20)/2003 1,287,397 5,000 8/12/2003 5,000 11613 0 0)/201/2003 1,287,397 5,000 11/6/2003 5,000 11613 0 0)/201/2003 1,284,036 5,000 2/12/2004 5,000 12324 0 0)/201/2003 1,284,036 5,000 2/12/2004 5,000 12324 0 0)/201/2003 1,286,036 5,000 5/6/2004 5,000 12324 0 0  Report of Vial Disbursements (20)/201/201/201/201/201/201/201/201/201/201	. Stateme	ent of Unpaid Prof	fessional Fees (Po	ost-Petition Ar	mounts only).		
Name of Professional (Attorney, accountant, etc.)  Name of Professional Unpaid Professional Fees are listed in Hauser, Inc.'s Operating Report  Base use this area for comments regarding the operation of the Chapter 11 debtor  Report of Significant Events and Events out of the Ordinary Course of Business* tach separate sheet if necessary)  Please use this area for comments regarding the operation of the chapter 11 debtor  Report of the United States Trustee every calendar quarter  Report of Vial Disbursements for Quartery Total Disbursements Quartery Fee Date Paid Amount Paid Check Number Owing (20)/2003 1,287,397 5,000 8/12/2003 5,000 11613 0 0)/201/2003 1,287,397 5,000 11/6/2003 5,000 11613 0 0)/201/2003 1,284,036 5,000 2/12/2004 5,000 12324 0 0)/201/2003 1,284,036 5,000 2/12/2004 5,000 12324 0 0)/201/2003 1,286,036 5,000 5/6/2004 5,000 12324 0 0  Report of Vial Disbursements (20)/201/201/201/201/201/201/201/201/201/201					Type of Professional		
Name of Professional etc.) Amount Unpaid  Unpaid Professional Fees are listed in  Hauser, Inc.'s Operating Report  8. Narrative Report of Significant Events and Events out of the Ordinary Course of Business* tach separate sheet if necessary) Please use this area for comments regarding the operation of the chapter 11 debtor  Report of Significant Events and Events out of the Ordinary Course of Business* tach separate sheet if necessary) Please use this area for comments regarding the operation of the chapter 11 debtor  Report of Significant Events and Events out of the Ordinary Course of Business*  Remus be paid to the United States Trustee every calendar quarter  Unpaid Professional Fees are listed in  Hauser, Inc.'s Operating Report  Remus be paid to the United States Trustee every calendar quarter  United Trust Disbursements of Date Paid Amount Paid Check Number Owing  3/3/2/2003 1,287.397 5,000 8/1/2/2003 5,000 116/13 0  3/3/2/2003 1,287.397 5,000 8/1/2/2003 5,000 119/86 0  3/3/2/2003 1,284.095 5,000 11/6/2003 5,000 112/80 0  3/3/2/2003 1,284.095 5,000 2/1/2/2/204 5,000 12/2/2 0  3/3/2/2003 1,284.095 5,000 1/2/2/204 5,000 12/2/2 0  3/3/2/2003 1,284.095 5,000 5/6/2/204 5,000 12/2/2 0  3/3/2/2003 1,000 1/2/2/2004 5,000 12/2/2 0  3/3/2/2003 1,000 1/2/2/2004 5,000 12/2/2 0  3/3/2/2003 1,000 1/2/2/2004 5,000 12/2/2 0  3/3/2/2003 1,000 1/2/2/2/2004 5,000 12/2/2/2 0  3/3/2/2003 1,000 1/2/2/2/2/2/2/2/2/2/2/2/2/2/2/2/2/2/2/2			'			Total Post-Petition	
Unpaid Professional Fees are listed in Hauser, Inc.'s Operating Report  8. Narrative Report of Significant Events and Events out of the Ordinary Course of Business* tach separate sheet if necessary) Please use this area for comments regarding the operation of the chapter 11 debtor see  Quarterly Fees* s Fee must be paid to the United States Trustee every calendar quarter  Quarterly Total Disbursements and Events area of the United States Trustee every calendar quarter  Quarterly Fees Date Paid Amount Paid Check Number Owing  30/2003 1,287,397 5,000 8/12/2003 5,000 116/3 0  30/2003 1,287,397 5,000 11/6/2003 5,000 11986 0  30/2003 1,284,439 5,000 11/6/2003 5,000 11986 0  30/2003 1,284,439 5,000 2/12/2004 5,000 12324 0  30/2004 1,066,177 5,000 5/6/2004 5,000 12324 0  30/2004 1,066,177 5,000 5/6/2004 5,000 12603 0  ame/Title:) Thomas W. Hanlon, Secretary / Treasurer decirate and complete to the best of my knowledge and June 12, 2004  Ame/Title:) Thomas W. Hanlon, Secretary / Treasurer decirate and complete to the best of my knowledge and June 12, 2004			Name of Pro	fessional	•		
8. Narrative Report of Significant Events and Events out of the Ordinary Course of Business* tach separate sheet if necessary) Please use this area for comments regarding the operation of the chapter 11 debtor is seemust be paid to the United States Trustee every calendar quarter  Quarterly Fees* 8 Fee must be paid to the United States Trustee every calendar quarter  Quarterly Total Disbursements for Quarterly Fee Date Paid Amount Paid Check Number Owing  30/2003 1,287,397 5,000 8/12/2003 5,000 11613 0  30/2003 1,284,7397 5,000 11/8/2003 5,000 11863 0  30/2003 1,284,036 5,000 2/12/2004 5,000 12324 0  31/2004 1,066,177 5,000 5/6/2004 5,000 12603 0  ame/Title:) Thomas W. Hanlon, Secretary / Treasurer debtor. In Possession Operating Report is true and complete to the best of my knowledge and June 12, 2004  Debtor. In Possession or Trustee						7 tilloant Olipaid	
8. Narrative Report of Significant Events and Events out of the Ordinary Course of Business* tach separate sheet if necessary) Please use this area for comments regarding the operation of the chapter 11 debtor  ie  Quarterly Fees* s Fee must be paid to the United States Trustee every calendar quarter  Quarterly Total Disbursements for Quarterly Fee Date Paid Amount Paid Check Number Owing 03/02/003 1,287,397 5,000 8/12/2003 5,000 11613 0 03/02/003 1,287,397 5,000 11/6/2003 5,000 11886 0 03/02/003 1,244,749 5,000 11/6/2003 5,000 11896 0 03/02/003 1,284,036 5,000 2/12/2004 5,000 12324 0 03/02/004 1,066,177 5,000 5/6/2004 5,000 12324 0 0  33/1/2004 1,066,177 5,000 5/6/2004 5,000 12803 0 0  ame/Title:) Thomas W. Hanlon, Secretary / Treasurer							
Quarterly Fees*   See must be paid to the United States Trustee every calendar quarter			Tradest into a operating	тороп			
Quarterly Fees*   See must be paid to the United States Trustee every calendar quarter				······································			
Quarterly Fees*   See must be paid to the United States Trustee every calendar quarter							
Quarterly Fees*   See must be paid to the United States Trustee every calendar quarter				<u> </u>	-		
Quarterly Fees*   See must be paid to the United States Trustee every calendar quarter		r.		<del></del>	<del></del>		
See must be paid to the United States Trustee every calendar quarter   Duarterly   Total Disbursements   Quarterly Fee   Date Paid   Amount Paid   Check Number   Owing							
Date Paid   Amount Paid   Check Number   Owing	his Fee must	be paid to the United Sta	ates Trustee every calen	dar quarter			
1,287,397		1	Ouadarly Fee	Date Paid	Amount Paid	Check Number	
11/6/2003				, Date Fall	- AMOUNTERIU I	OHEOR MUHIDEI	
2/31/2003 1,284,036 5,000 2/12/2004 5,000 12324 0 2/31/2004 1,066,177 5,000 5/6/2004 5,000 12603 0  ame/Title:) Thomas W. Hanlon, Secretary / Treasurer the information contained in the above Debtor in Possession Operating Report is true and complete to the best of my knowledge ad: June 12, 2004  Debtor Jh Possession or Trustee			0,000	8/12/2003			Owing
/31/2004 1,066,177 5,000 5/6/2004 5,000 12603 0  ame/Title:) Thomas W. Hanlon, Secretary / Treasurer declare under penalty of perjury the information contained in the above Debtor in Possession Operating Report is true and complete to the best of my knowledge and: June 12, 2004  Debtor In Possession or Trustee			5 000		5,000	11613	Owing 0
ame/Title:) Thomas W. Hanlon, Secretary / Treasurer				11/6/2003	5,000 5,000	11613 11986	Owing 0 0
the information contained in the above Debtor in Possession Operating Report is true and complete to the best of my knowledge ad: June 12, 2004  Debtor In Possession or Trustee	2/31/2003	1,284,036	5,000	11/6/2003 2/12/2004	5,000 5,000 5,000	11613 11986 12324	Owing 0 0 0
the information contained in the above Debtor in Possession Operating Report is true and complete to the best of my knowledge ad: June 12, 2004  Debtor In Possession or Trustee	2/31/2003	1,284,036	5,000	11/6/2003 2/12/2004	5,000 5,000 5,000	11613 11986 12324	Owing 0 0 0
the information contained in the above Debtor in Possession Operating Report is true and complete to the best of my knowledge ad: June 12, 2004  Debtor In Possession or Trustee	2/31/2003	1,284,036	5,000	11/6/2003 2/12/2004	5,000 5,000 5,000	11613 11986 12324	Owing 0 0 0
the information contained in the above Debtor in Possession Operating Report is true and complete to the best of my knowledge ad: June 12, 2004  Debtor In Possession or Trustee	2/31/2003	1,284,036	5,000	11/6/2003 2/12/2004	5,000 5,000 5,000	11613 11986 12324	Owing 0 0 0
the information contained in the above Debtor in Possession Operating Report is true and complete to the best of my knowledge ad: June 12, 2004  Debtor In Possession or Trustee	2/31/2003	1,284,036	5,000	11/6/2003 2/12/2004	5,000 5,000 5,000	11613 11986 12324	Owing 0 0 0
the information contained in the above Debtor in Possession Operating Report is true and complete to the best of my knowledge ad: June 12, 2004  Debtor In Possession or Trustee	12/31/2003	1,284,036	5,000	11/6/2003 2/12/2004	5,000 5,000 5,000	11613 11986 12324	Owing 0 0 0
the information contained in the above Debtor in Possession Operating Report is true and complete to the best of my knowledge ad: June 12, 2004  Debtor In Possession or Trustee		1,284,036	5,000	11/6/2003 2/12/2004	5,000 5,000 5,000	11613 11986 12324	Owing 0 0 0
Debter. In Possession or Trustee	12/31/2003 3/31/2004 (Name/Title:)	1,284,036 1,066,177 Thomas W. Hanlon, Se	5,000 5,000 cretary / Treasurer	11/6/2003 2/12/2004 5/6/2004	5,000 5,000 5,000 5,000	11613 11986 12324 12603	Owing 0 0 0 0
Debtor.In Possession or Trustee	12/31/2003 3/31/2004 (Name/Title:)	1,284,036 1,066,177 Thomas W. Hanlon, Se	5,000 5,000 cretary / Treasurer	11/6/2003 2/12/2004 5/6/2004	5,000 5,000 5,000 5,000	11613 11986 12324 12603	Owing 0 0 0 0
	12/31/2003 3/31/2004 Name/Title:)	1,284,036 1,066,177 Thomas W. Hanlon, Se	5,000 5,000 cretary / Treasurer	11/6/2003 2/12/2004 5/6/2004	5,000 5,000 5,000 5,000	11613 11986 12324 12603	Owing 0 0 0 0
	12/31/2003 3/31/2004 (Name/Title:) at the informa	1,284,036 1,066,177 Thomas W. Hanlon, Setion contained in the about	5,000 5,000 cretary / Treasurer	11/6/2003 2/12/2004 5/6/2004	5,000 5,000 5,000 5,000	11613 11986 12324 12603	Owing 0 0 0 0
	12/31/2003 3/31/2004 Name/Title:) at the informa	1,284,036 1,066,177 Thomas W. Hanlon, Setion contained in the about	5,000 5,000 cretary / Treasurer	11/6/2003 2/12/2004 5/6/2004	5,000 5,000 5,000 5,000	11613 11986 12324 12603	Owing 0 0 0 0
Title - Secretary / Treasurer	12/31/2003 3/31/2004 Name/Title:) at the informa	1,284,036 1,066,177 Thomas W. Hanlon, Setion contained in the about	5,000 5,000 cretary / Treasurer	11/6/2003 2/12/2004 5/6/2004	5,000 5,000 5,000 5,000	11613 11986 12324 12603	Owing 0 0 0 0
	12/31/2003 3/31/2004 Name/Title:) at the informa	1,284,036 1,066,177 Thomas W. Hanlon, Setion contained in the about	5,000 5,000 cretary / Treasurer	11/6/2003 2/12/2004 5/6/2004	5,000 5,000 5,000 5,000 strue and complete to the	11613 11986 12324 12603  declare under penalty best of my knowledge	Owing 0 0 0 0

isation to any officers, directors, shareholders, or of

rincipals without

A. Has the Debtor in Possession provided co:

Current Date: 05/10/2004

includes Adjustments that see your responsibility

92,697.70

62,697.70

1,740,71

Unsuments/Peepay/Voits

Bank Debits and

Other Llability

Responsibility

Taxes . Your

Other Translets

Norse This Payrott

20
Week Page
Period Ending: 05/08/2004 Weak 20 Pay Date: 06/13/2004 Page 1
Perfod Ending : Pay Date :
Batch; 3651 Quarter Number; 2

Statistical Summary Recap

HAUSER TECH SERVICES

Region Name: DESERT MOUNTAIN Company Code: MBA

Bd:II funs Eu Ant.

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Inxan Debited

Llability Repop

3034128644

Net Pay	Сревы					!	9.528.93			
	Ower Deposits						40.738.19			
	Subspetsi Mat Pay							50,287.12		-
	Adjustments						17.945.71			
	Tatel Met Pay Liabing (Not Cosh)							58,007.83		
Toxes		<u>'</u>	You are responsible for Orpositing these amounts	nsible for		Amount debited fram your account	ad Juna			
Federal	Agency	Riu	EE wijhheld	CR conside.	rijelb.	EE withheld	ER cantrib.			
	Federal Intome Tax					9.290.28				
	Eurard boome Credit Advances									
	Social Georally					5,029.12	5,029.09			
	Medicate					1,176.15	91,921,1			
	Federal theersplayment Tax						4.03			
	Subtratal Federal				<b> </b> 	15.496.65	6,209,28	21,704.83		
State	CO State Income Tax				 	2,946.00				
	GO State Unmapleyment/Disability Las-ER	2.0					39.04			
	Subtrate CO	i				2,846.00	39.04	2,985.04		
	Total Taxes		00.		18	78.441.65	6,245.32	24,689.67		
	Amaem ADF Debited From Account	4945086361		Trun/ABA 12	121000243				24.689.87	Excludes Taxes That Are Your Plazpansibility
of the	ADP Direct Deposit					40,738.10				36 Embloyee Tradsactions
Transfere	Amount ADP Debited From Account	4345088361		Tran/ARA 12	121000248				40,738.19	
Tetal Amou	Tetal Amount ADP Diblied From Your Accounts								65.426.06	

HAUSER TECH SERVICES

Company Code; MBA Region Name: DESERT MOUNTAIN

Period Ending: 05/08/2004 Week 20 Pav Date: 05/13/2004 Page 2

Pay Date: 05/13/2004 Current Date: 05/10/2004

Balch : 3651 Quarter Number: 2

Statistical Summary Detail

Week 22 Pege 1 Pege

Liability	Taxes Debited	Endered Income Tax		
Recay		( DEC.	-	
		Social Security . 89		
		22		
		Madican . ER		
		(38)		
		nery Pox		
		24400		
		State Unamployment frauence . FF		
		State Unimplementalisability hs. ER		
		#		
		780		
		Voltage British Pund Assessment - EE		
		Workeys, Banain Fynd Assessmen - ER		
		CKE INCOME TEX		
		School District Tax		
		Total Taxes Debited Account Mumber 49450863\$1	30 695 34	
	Other Transfers	ADP Disest Decousing Account Newsbor 4045000001		
	:	1	40.035.37	Total Liability
	Barak Defitis and	Cherks	60,720,56	60,720.56
	Other Lisbility	A fine Comment and Description of the Comment of th	2 455 60	70,176.20
		- njustimen infrecepatyly cats	8	70.176.20
	Texes - Your	None This Payroll		
	Responsibility			
				70,176,20

3034128644

HAUSER TECH SERVICES Company Code; MBA Region Name: DESERT MOUNTAIN

Period Ending: 05/22/2004 Pay Date: 05/27/2004 Current Date: 05/24/2004 Batch: 5157 Quarter Number: 2

Yu Vilin.	

Net Pay	CArcts					9.455.64			
	Direct Deposits					40,035.32			
	Subtotal Met Pay						49,490.96		
	Adjustments					00.			
	Total Bet Pay Liability (Net Cash)						49,490.96		
laces			Vou are responsible for Depositing there amounts	nsible for o amounts	Amaunt debited from your account	bired			
Federal	Apency	Rate	EE withheld	ER contails.	EE withheld	ER contrib.			
	Federal Mediate Tex				7,580.24		÷		
	Essed Incons Credit Advances								
	Social Security				4,307,81	4,302.80			
	Medicare				1,007,47	1.00747			
	Faderal Unemplayment Tox								
	Schrotel Federal				12,895,52	6,316.27	18.210.79		
State	CO State McOunt Tax				7,446.00				
	CO State Unemployment/Disability (ns-ER	2.0200				28.45			
	Subtotal C.D				2,446.00	28.45	2,474.45		
	Total Taxes		90.	8	15,391,52	6,343.72	20,685.24		
	Amount ADP Debited From Account	4945086351		TrankEA 121000248	Ûŧ			20,685.24	Excludes Taxes (has dea Yau Responsibility
Olher	ADP Direct Deposit				40,035.32				36 Edulowe Transactions
Transfere	America ADP Debited From Account	4945086361		Tran/ABA 121000248	RA			40.035.32	
Total Amen	Total Ameint AOP Debited From Your Accounts							60,720.66	

Statistical Summary Detail

HAUSER TECH SERVICES Company Code: MBA Region Name: DESERT MOUNTAIN

Batch : 5157 Quarter Number: 2

Period Ending: 05/22/2004 Week Pay Date: 05/27/2004 Page Current Date: 05/24/2004

#### Debtor In Possession Operating Report Report Number: 14

		<del>:</del>	Policy Expiration	Premium Paid
Type of Insurance	Carrier/Agent Name	Amount Of Coverage	Date	Through Date
Workers' Compensation	Wausau Insurance/Acordia	\$1MM/\$1MM/\$1MM	4/1/2005	4/1/2005
California	incl		ł	
Colorado	Incl			
Liability	<del>                                     </del>	<del> </del>	<del> </del>	ļ
HTS	Evanston Insurance/Acordia	\$1MM	2/15/2005	6/15/2004
Hauser Longmont	Nautilus/Acordia	\$1MM	cance	
Hauser El Segundo	Essex Insurance	\$1MM	cance	
Property	St. Paul/Acordia	See Below	6/1/2005	7/1/2004
Real Property	St. Paul/Acordia	1,618.532	0/1/2003	# H
Personal Property	St. Paul/Acordia	6,508,698		<del> </del>
Machinery	St. Paul/Acordia	9.654,327	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	
Business Income	St. Paul/Acordia	1,100,000	<del></del>	
Property of Others	St. Paul/Acordia	985,177	"	н
Theft-Money	St. Paul/Acordia	10,000	"	"
Life (list beneficiary)				
Vehicle	St. Paul/Acordia	1,000,000	6/1/2005	7/1/2004
California	No Autos	1,000,000	0/1/2003	11112004
Other	1 vehicle in CO			
Other (specify)	T TOURISH IT GO		<del></del>	
Flood & Earthquake (DIC)	Mt.Hawley/Great American/Greenwich Insurance Co/Acordia		cance	lled
D&O	XL Specialty/Acordia	10,000,000	11/1/2009	11/1/2009
Excess	St. Paul/Acordia	5,000,000	cance	
Employment Practices Liability	Hudson Insurance/Acordia	1,000,000	11/1/2004	11/1/2004
Cargo	St. Paul/Acordia	1,000,000	cance	
Foreign Liability	St. Paul/Acordia	2,000,000	cance	
Fiduciary	Chubb/Acordia	1,000,000	4/30/2005	4/30/2005
Crime/Employee Dishonesty	St. Paul/Acordia	200,000	6/1/2005	7/1/2004

# Hauser Technical Services Hauser Contract Research Organization Summary Income Statement May 31, 2004

(dollars in thousands)

	MonthActual	Year-to-date Actual
Sales	\$218	\$428
Cost of sales	381	642
Gross margin	(163)	(214)
Sales and marketing G & A expenses Total Contribution	$ \begin{array}{r}                                     $	16 41 57 (271)
Corporate Services Operating income (loss)	20 (208)	(311)
Interest expense Reorganization Costs	0 <b>0</b>	0 (5)
Profit (loss) before tax	(\$208)	(\$316)

In re: Hauser Technical Services, Inc. A Delaware Corporation

Debtor In Possession Operating Report Report Number: 14

Miscellaneous Operating Expenses	
	<del> </del>
	<del></del>
	<del>                                     </del>
	<del> </del>
Total Miscellaneous Operating Expenses  egal and Professional Fees	
None	
None	
	ļi
Total Legal and Professional Fees	
I Oldi Leydi dilu Fi Ulessivi idi Fees	CHEST CONTRACTOR PRODUCTION
Other Non-Operating Expenses	
None	
None	
i	1
<del></del>	<b></b>



	UIII	ce of the Officed States Trustee
In re: Zetapharm Inc.		Debtor In Possession Operating Report
A New York Corporation		Report Number: 14
		For the period - May 1, 2004
]	Debtor	2001 JUN 15 P FROM: May 1, 2004
Chapter 11 Case No: LA 03-18802-BB		TO: May 31, 2004

T. Profit and Loss Statement (Accrual Basis Only)							
A. Related in Business Operations:							
	INCOME	Province Control of the Control					
Gross Sales							
(Sales Returns and Discounts)							
Beginning Inventory at Cost							
Add: Purchases							
Less: Ending Inventory at Cost							
Cost of Goods Sold							
Gross Profit							
Other Operating Revenues - Rentals							
Total Income							
	EXPENSES						
Officer Compensation							
Salaries and Wages - Other Employees							
Employee Benefits and Pensions							
Total Employee wages, benefits, and pensions							
Payroll Taxes							
Real Estate Taxes							
Federal and State Income Taxes							
Total Taxes							
Rent and Lease Exp. (Real and Personal Property)							
Interest Expense (Mortgage, Loan, etc.)							
Insurance							
Automobile Expense							
Utilities (Gas. Electricity, Water, Telephone, etc.)							
Depreciation and Amortization							
Repairs and Maintenance							
Advertising							
Supplies, Office Expenses, Photocopies, etc.							
Bad Debts							
Miscellaneous Operating Expenses (See Attached)							
Total other operating costs & Expenses							
Total Operating Expenses							
Net Gain/Loss from Business Operations							
B. Not Related to Business Operations:	LOSSEMISTUS CONTROL DO THE TANKE SERVICE OF			Committee (1997) Committee of the State of t			
	INCOME		<u> </u>				
Interest Income							
Other Non-Operating Revenues (Specify)							
Gross Proceeds on Sale of Assets							
Less: Original Cost of Assets plus Expenses of Sale							
Dated: June 12, 2004							
Total Non-Operating Income		e e de la companya d					
	EXPENSES						
Legal and Professional Fees (Specify)							
Other Non-Operating Expenses (Specify)							
Total Non-Operating Expenses			PARTE TO SECUL				
Net Gain/Loss Not from Business Operations							
NET INCOME / LOSS FOR PERIOD							
MET INCOME / LUGG FUN PERIOD			<b>1970年的日本日本日本日本日本日本日本日本日本日本日本日本日本日本日本日本日本日本日本</b>				

No activity for this period

2. Aging of Accounts Payable and Accounts Receivable\*
\*exclude pre-petition accounts payable

	Accounts Payable	Accounts Receivable
Current - Under 30 Days	None	-
Overdue - 31 - 60 Days		-
Overdue - 61 - 90 Days		-
Overdue - 91 - 120 Days		-
Overdue - Over 121 Days		19,525
TOTAL	-	19,525

3. Statement of Status of Payments to Secured Creditors and Lessors:

				Post-Petition Pay	ments Not Mad
Creditor/Lessor	Frequency of Payments per Contract/Lease (I.e. mo/qtr)	Amount of Each Payment	Next Payment Due	Number	Amount
None					
·····					
					<u> </u>

* Explanation for Non-Payment:	 · · · · · · · · · · · · · · · · · · ·	·	

## 4. Tax Liability:

Gross Payroll Expense for Period: None Gross Sales Subject to Sales Tax for Period:

			Post-Petition
Type of Tax	Date Paid	Amount Paid*	Taxes Still Owing
Federal Payroll and Withholding Taxes	None		
State Payroll and Withholding Taxes	None		
State Sales and Use Taxes	None		
Real Property Taxes	None		

<sup>\*</sup> Attach photocopies of depository receipts from taxing authorities or financial institutions to verify that such deposits or payments have been made.

5.Insurance Coverage:

Carrier/Agent	Amount Of	Policy Expiration	Premium Paid
Name	Coverage	Date	Through Date
	- 1	- 1	- 1 1 1 1 1 1

Dated: June 12, 2004

6. Question	s:							
the approval of t	or in Possession provi he Office of the United (ES (Explain:) NO			ficers, directors,	share	holders, or other princ	ipals without	
except as have b	n Possession, subseque een authorized by the YES (Explain:) NO		ling of the petition	on, made any pa	ment	s on its pre-petition un	secured debt	
7. Statemer	nt of Unpaid Pro	fessiona	l Fees (Pos	st-Petition A	mou	nts only).		
			Name of Profes		1	ype of Professional attorney, accountant, etc.)	Total Post-Petition Amount Unpaid	
			ofessional Fees					
		Hauser, In	c.'s Operating R	eport.				
		<b></b>			↓			_
		<u> </u>			4			_
		ļ			-			_
		L		727 - Carrier				
	None							
							<del></del>	
	e paid to the United St	tates Truste	e every calenda	r quarter				
	Total Disbursements	0		Data Daid		A Daid	Observation No. 1975	0
Period Ending	for Quarter		terly Fee	Date Paid		Amount Paid	Check Number	Quarterly Fee Still Owin
6/30/2003	None	\$	250 250	8/1/2003 11/6/2003	\$	250 250	3903 4630	\$ -  \$ -
9/30/2003	None None	\$	250	2/26/2004	\$	250	5166	<del>                                      </del>
3/31/2004	None	\$	250	5/4/2004	\$	250	5323	\$ -
3/3/1/2004	110116	<del>  "</del>	200	5/4/2004	+*-	200	3020	<del>  •</del>
	· · · · · · · · · · · · · · · · · · ·				+			<del></del>
					+			
		<del> </del>						
I, (Name/Title:) 1 that the information	homas W. Hanlon, Se on contained in the ab	ecretary / Tr ove Debtor i	easurer n Possession O	perating Report i	s true	and complete to the b	,declare under penalt est of my knowledge	
Dated: June 12,	2004					4	1	
						- I hu	h	
						tor in Possession or Tretary/Treasurer	rustee	

#### Debtor In Possession Operating Report Report Number: 14

			<del></del>	
			Policy	Premium Paid
Type of Insurance	Carrier/Agent Name	Amount Of Coverage	,	Through Date
Workers' Compensation	Wausau Insurance/Acordia	\$1MM/\$1MM/\$1MM	4/1/2005	4/1/2005
California	Incl			
Colorado	incl			
Liability				
HTS	Evanston Insurance/Acordia	\$1MM	2/15/2005	6/15/2004
Hauser Longmont	Nautilus/Acordia	\$1MM	cano	elled
Hauser El Segundo	Essex Insurance	\$1MM	cano	elled
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Real Property	St. Paul/Acordia	1,618,532	11	"
Personal Property	St. Paul/Acordia	6,508,698	п	"
Machinery	St. Paul/Acordia	9,654,327	"	H
Business Income	St. Paul/Acordia	1,100,000	"	n
Property of Others	St. Paul/Acordia	985,177		- (1
Theft-Money	St. Paul/Acordia	10,000	"	t1
Life (list beneficiary)				
Vehicle	St. Paul/Acordia	1,000,000	6/1/2005	7/1/2004
California	No Autos			
Other	1 vehicle in CO			
Other (specify)				
Flood & Earthquake (DIC)	Mt.Hawley/Great American/Greenwich Insurance Co/Acordia	,	canc	elled
D&O	XL Specialty/Acordia	10,000,000	11/1/2009	11/1/2009
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Crime/Employee Dishonesty	St. Paul/Acordia	200,000	6/1/2005	7/1/2004
		1	L	

Dated: June 12, 2004

In re: Zetapharm Inc. A New York Corporation Debtor in Possession Operating Report Report Number: 14

Mis	scellaneous Operating Expenses	
		-
	<u> </u>	
	Total Miscellaneous Operating Expenses	
DOM:	A STATE OF THE STA	
Le	gal and Professional Fees	
	Total Legal and Professional Fees	
Otl	ner Non-Operating Expenses	
		i
		TOTAL PARKET PARKET